THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) The percentage of Government expenditure charged upon Consolidated Fund of India out of total expenditure in last two years are given below:—

(Rs. in crore)

Year	Total Expenditure	Charged Expenditure	As a % of total Expenditure
1997-98 (RE)	693573	478690	60.02
1998-99 (BE)	718872	494003	68.72

Out of the total charged expenditure, the bulk of charged expenditure comprises interest payments, repayment of debt, loans to State Governments and share of State's in the Union Excise Duties. Loans to State Governments are given as plan assistance as well as against the collection under small savings schemes. As the stock of public debt, small savings collections and Union Excise Duties are steadily rising, the 'charged expenditure' is also increasing correspondingly.

Information of impact of economic santions to State Governments

4523. SHRI SANATAN BISI: Will the Minister of FINANCE be pleased to state:

(a) whether the State Governments have been informed accordingly on the possible impact of economic sanctions and their likely impact following the Pokharan nuclear test; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The issues relating to economic sanctions following the Pokharan nuclear test have been discussed in the Parliament and various fora and the information was publicly available throughout the country including State Governments.

Import Duty on Aluminium

4524. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that despite numerous representations received by this Ministry for reduction in Import Duty on Aluminium, it has been increased by 4 per cent thus creating acute shortage of this important metal in the country;

(b) whether it is also a fact that the Primary producers have been earning high profits by increasing prices frequently taking undue advantage of shortage, while consumer industries are suffering greatly; and

(c) if so, what steps Government is taking to ease the situation in the absence of price and distribution control?

THE MINISTER OF STATE JN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) As in the case of many other commodities, Special Additional Duty of Customs of 4% applies to import of aluminium when imported for non-trading purposes. However, there is sufficient production capacity of aluminium in the country.

(b) and (c) As per the information available, the price of domestically produced unwrought aluminium is lower than the landed cost of imported unwrought aluminium. However, market forces, fluctuations in LME prices, demand-supply situation, taxes and other commercial factors decide the price of unwrought aluminium to be paid by consuming industries.

Exporters Siphoning Foreign Exchange

4525. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether RBI and ANZ Grindlays Bank, Delhi and UP branches have found sufficient evidence against some of its exporters for siphoning out foreign exchange abroad;

(b) whether some exporting companies connected with the ANZ Grindlays Bank have not been bringing in foreign exchange earned in US Dollars from USA;

(c) whether any enquiry has been ordered; and

(d) if not, the reaons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) No, Sir.

(b) to (d) Enforcement Directorate has taken up investigation/enquiries against five companies of Kanpur for alleged non-realisation of export proceeds.

Integrating people in banking operations

4526. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) the estimated number of people who are yet to be integrated in the banking operations who otherwise have the capacity to save;

(b) whether there is a need for readjusting interest rates of the small saving scheme as compared to the rate of interest with the term deposits in the bank; and

(c) whether Government will also consider giving 75% of the surplus generated from the small savings operations after making deductions of disbursement of interest payments as well as administrative -cost to the concerned States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) Data reporting system of Reserve Bank of India (RBI) does not generate such information.

(b) and (c) "A Committee has been constituted by the Finance Minister to examine several issues relating to Small Saving Schemes including the benchmarking of interest rates with that of banks/ financial institutions and review of the parameters of disbursement of small savings collections as loan to the State Governments. The report of the Committee is awaited".

Revenue loss due to delay in notifications

4527. SHRI ASHOK MITRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken note of the latest report of the Comptroller & Auditor General of India suggesting that delay in issuing notification by the Ministry of Finance on changes in advalorem rates on tyres and tubes affected in the 1994-95 Budget has cost a loss to the eichequer to the extent of Rs. 1,768/- crores till 1997;

(b) whether Government have investigated into the reasons for the reported delay in notification as indicated by C&AG; and

(c) whether any disciplinary measures are proposed to be taken against those responsible for the loss of revenue to the exchequer?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) Yes, Sir. However, it is incorrect that there was delay in issuing the notification regarding levy of duty on tyres and tubes at advalorem rates and that this has cost a revenue loss to the exchequer to the extent of Rs. 1768 crorfes till 1997. The reasons for issuing the said notification on 1st March, 1997 are indicated in reply to part (b) of the Question below. As regards the alleged revenue loss pointed out in the C&AF's report for the year ended 31st March, 1997. the C&AF's report is based on the presumption that Government would have levied duty on tyres and tubes at maximum rates specified in the Tariff between May, 1994 to February, 1997. However, this presumption is not correct because, while notifying levy of duty on advalorem basis with effect from 1st March, 1997, the Government has notified rates which are lower than the maximum rates specified in the Tariff. The duty liable to be realised on these